



## Coca-Cola Refreshments

Title: CCR Refranchising: Coke One North America (CONA) System of the Future

Subtitle: Operational Improvement Initiative

The Opportunity: Then Company CEO, Muhtar Kent, in late 2015, announced that The Coca-Cola Company (TCCC) would be getting out of the bottling business. Therefore, TCCC would be selling off all bottling interests, facilities, and territories currently owned by Coca-Cola Refreshments (CCR). Final goal of this refranchising initiative is to close down CCR such that it is no longer a valid operating business. Purpose of project was to Transition CCR to the system of the future through the refranchising of its production and distribution network in the USA and Canada. To execute a sustainable transition to the new bottlers there was a need to supplement the existing CCR workforce with skilled Production and Logistic business process change agents to meet an aggressive transition timeline.

### The Challenge:

- At the same time this initiative is underway CCR is having to let go of existing employee resources.
- Huge initiative requiring dozens of consulting resources to perform the work while actual CCR resources being let go.
- Many of the existing CCR bottling interests, facilities and territories are not ready to sell. Buyers have to be found and all aspects of each franchise need to be made ready to sell/close for the new franchisee to take over.
- Date pressures: Muhtar Kent's late 2015 announcement gave a target end date of December, 2017, for this initiative to be completed.

### The Solution:

- BWC provided a CONA Production Execution Transition Consultant / Bottler Transition Lead for Coca-Cola Swire
- For specific dedicated project teams focused on each remaining CCR franchise: staff projects accordingly, create plan and activate/fulfill the plan so as to sell each remaining CCR franchise.
- As the Production transition lead, BWC's Consultant leveraged his bottler experience to design, build and improve business processes and data standards for manufacturing warehousing and integrated customer solutions for CONA leveraging SAP.
- Post design stage and testing the BWC Consultant developed the Production Execution business process training documentation which is used as the guideline today for the production environment for all bottlers using CONA.
- Once transitions began to take place, the BWC Consultant trained all incoming bottler employees on the solution and the business processes to create reliable data to drive business decisions.
- Since the BWC Consultant had strong knowledge of the system not only on the production but warehouse side of the business, they were requested to be the transition lead for all Swire bottling transition and legacy production units. the BWC Consultant was the only consultant on this project given this responsibility to interface with the bottler executive team on behalf of SOF. Even though the BWC Consultant was the transition lead for Swire they also led transitions within United, Reyes, CCNE, Liberty, Arca, Coca-Cola Florida and Coca-Cola Canada.



- BWC successfully trained and transitioned 10 Production Plants to new bottlers with sustainable business processes to track and manage performance across production, maintenance and warehouse (RFIM).

The Results:

- This project was not just an SAP system update.
- This project required change management skills, business process knowledge and execution.
- Utilizing change management techniques and strong business acumen we were mindful to not only transition the business but develop business processes that would be sustainable post transition to grow the business.
- The tools and process that were designed specifically for each business unit provided them with the routines and data management to drive efficiencies using data to drive decisions.
- These processes not only transitioned the business but provided them with the framework to take costly trouble shooting out, improving not only line efficiencies but employee productivity and morale for the long term.
- The business units now have a dashboard in place built on reliable data to steer the business in a profitable and sustainable direction.